## <u>CMA takes Norton to court for</u> <u>withholding information</u>

Press release

Unprecedented decision reflects the serious impact of Norton's refusal to provide information.



The CMA is taking a leading anti-virus software firm, Norton, to court after it refused to provide certain information for an investigation into autorenewing contracts.

During its investigation into the <u>anti-virus software sector</u>, the Competition and Markets Authority (CMA) has identified a number of important concerns that Norton's terms and practices for automatically renewing contracts could result in customers paying for services they no longer want or need.

To progress its case on the basis of relevant evidence, the CMA requested information from Norton, including research undertaken by the software firm on how customers responded to website information on auto-renewal and pricing. Norton has refused to provide some of this information.

The CMA considers Norton's non-compliance to be in breach of its legal obligations and the CMA will now use its powers to enforce the request for information through the courts. This is the first time the CMA has needed to take this step in a consumer protection case.

## Andrea Coscelli, CMA Chief Executive, said:

It is completely unacceptable that a leading anti-virus software firm has refused to supply all the information we asked for, which is why we're taking the firm to court.

Our unprecedented decision in this case reflects the serious impact of Norton's refusal, which is delaying a CMA investigation intended to protect UK consumers. A rollover or auto-renewing contract automatically renews at the end of a set time period onto a further set period. It means the customer – whose payment details are kept on file – is charged unless the customer actively takes steps to cancel the contract.

During this case, the CMA is investigating whether Norton:

- provides sufficiently clear or prominent information that a contract will automatically renew, both before the customer enters into the contract and then before it automatically renews
- provides the customer with adequate ways to cancel the automatic renewal
- uses price promotions that present a regular introductory price as a sale price
- uses unfair contract terms to increase the prices paid by customers when contracts automatically renew

The CMA has made an application to obtain an Order requiring Norton to provide the outstanding information.

More information can be found on the <u>anti-virus software sector investigation</u> case page.

## Notes to Editors:

- The CMA's court action for non-compliance with the information gathering request is against NortonLifeLock UK Limited and NortonLifeLock Ireland Limited.
- 2. Under the Consumer Rights Act 2015, the CMA has the power to send a written notice to any person requiring them to provide information to enable the CMA to exercise or to consider whether to exercise its powers to enforce consumer protection legislation (see note 3 below). If a person does not provide the required information, then the CMA can apply for a court order requiring them to comply.
- 3. The CMA opened its <u>investigation into the anti-virus software sector</u> in November 2018. The key piece of consumer protection legislation relevant to the CMA's enforcement action into the anti-virus software sector is the Enterprise Act 2002.
- 4. Whilst the CMA can raise concerns around a breach of consumer protection law, ultimately, only a court can rule that a particular practice infringes the law.
- 5. As an enforcer under Part 8 of the Enterprise Act 2002, the CMA cannot impose fines on businesses, but it can enforce the above legislation through the courts, and where appropriate, obtain additional measures to improve consumer choice, drive better compliance with the law, or obtain redress for consumers.

6. For media enquiries, contact the CMA press office on 020 3738 6460 or press@cma.gov.uk

Published 23 March 2021